

III.

Property Control

Property Control

Property Database

Policy

The Laboratory will maintain current and accurate records of all property-numbered/bar-coded property items. The automated and centralized database for the Laboratory's property is the Property Accounting and Inventory Reporting System (PAIRS).

The following information *at minimum* must be kept current in PAIRS for each item of capital and attractive property.

- accountability statement number
- acquisition document number (e.g., purchase order)
- acquisition date
- acquisition source
- balance sheet account
- bar code number/property number
- cost center and program code
- general ledger status
- inventory date
- inventory classification
- location (technical area, building)
- location date
- model and manufacturer
- nomenclature
- organization code
- property custodian - Name and Z number
- property cost
- received date

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reimbursable indicator
serial number
service life
status subaccount number
transaction document number and date

Cross-references:
Joints III.1&2

Responsibilities

Property Management

Property Management (PM) and Property Accounting monitor PAIRS to ensure that records are current and accurate. PM also controls access to PAIRS through its property specialists (PS's).

Joints III.3

Procurement

Procurement is responsible for the accuracy of acquired property information on Purchase Orders (POs), which eventually is entered into PAIRS.

Property Accounting

Property Accounting also is responsible for the accuracy of information about acquired and fabricated property that is transferred from POs into PAIRS, and for all PAIRS financial data.

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Property Administrator

The property administrator (PA) is responsible for ensuring that all PAIRS and paper records of property assigned to the division are current and accurate.

Property Custodian

The property custodian is responsible for the accuracy of any location changes he or she makes in PAIRS.

Authorities

Any LANL worker with an Integrated Computing Network password can obtain access to PAIRS to view property records. Custodians also can change location information and request transfers of assigned property to other custodians. Levels of authority for making other changes within PAIRS are granted as follows:

- Property Management Authority ("SAPMA") is held by PS's only. It allows the granting or rescinding of all other property management authorities.
- Property Transaction Authority ("SAPT") allows the user to change PAIRS records for items within the user's domain (the cost codes whose property the user oversees). This authority is limited to PAs.
- Inventory Authority (SAPT1) allows the user to upload data from a bar-code reader into PAIRS. It

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is granted to PAs only and only during the physical phase of an inventory.

- Loan Transaction Authority (SAPT2) allows the user to manipulate records relating to loaned property. It is granted only to members of the PM Loan Office.
- Property Accounting Authority (SAPT3) allows users in Property Accounting to set up PAIRS records, change specified fields, and retire items.

Property Assignment

Property Custodians

Initial Assignment

To establish organizational accountability, a Laboratory requester is required to identify on every requisition the cost center of the organization that will be responsible for stewardship of the property.

Joints II.1.1

Within 45 days after an item's record appears in PAIRS, the PA:

- verifies the accuracy of the PAIRS record through physical inspection of the item

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- assigns initial responsibility for the item to an individual property custodian in PAIRS
- obtains the custodian's signature on an Accountability Statement (see below)

Change of Assignment

If two property custodians agree that an item is to be transferred from one to the other, the releasing custodian notifies the PA to transfer accountability in PAIRS. The recipient's PA ensures that a revised accountability statement is forwarded to that custodian and signed (see below).

PAs may be required to consult with line managers before transferring property outside of their organizations. They should seek general authority in writing before approving this type of transfer.

Changes of assignment also may be completed by the PA using a Property Transfer Slip (PTS; see Appendix). He or she first verifies the change and that the property custodian and location of the item is correct. Both PAs and both property custodians must record approval of the transfer on the form; responsibility for the item remains with the releasing custodian until this occurs. Property Accounting enters the change in PAIRS upon receipt of the PTS.

Items may be transferred on a temporary basis and returned to the original center. The PAIRS screen or

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PTS should indicate this arrangement and include the anticipated date of return. However, full responsibility for the item is transferred to the temporary custodian.

Accountability Statements

Whenever property-numbered property is assigned or transferred to a new custodian, that custodian must sign an Accountability Statement. The statement appears on a PAIRS-generated listing of property assigned to the custodian. The custodian agrees to fulfill his or her responsibilities for the property and provide reasonably prudent care.

The PA must inform each property custodian at least annually through an Accountability Statement of the items assigned to him or her.

Employee Termination

When an employee's Laboratory employment ends, or when a non-employee's assignment ends, all property-numbered items assigned to that individual must be accounted for and reassigned to a new property custodian. The terminating employee is responsible for notifying his or her PA of the termination as far in advance as possible. He or she also must return off-site property that isn't government-furnished property or on loan. The PA will physically verify the return and location of each item and require return of all property transportation passes and Property Removal Forms (see Appendix and Chapter IV, "Transporting Property.")

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The PA and the employee must sign and date the Affidavit from Employee and Affidavit from Property Administrator (see Appendix) found on the back of the Termination Clearing Form issued by the Personnel group. The affidavits state that all property assigned to the employee has been returned and/or reassigned. The PA keeps a copy of the signed affidavits, and the employee must hand-carry the form to Personnel Services.

If property assigned to the former custodian cannot be located or accounted for, it is treated as lost property (see "Lost, Damaged, or Destroyed Property" in Chapter XV, "Retirement of Property").

Location

Initial Assignment

The PA records the location (TA, building, and if desired, room) of each property item when it is assigned to an initial custodian.

Change of Assignment

On-site changes of location that will last more than five working days must be entered into PAIRS immediately by the custodian or PA.

Change of Station

When a property custodian transfers to a LANL work site outside of Los Alamos, any property that goes with him or her must be documented on a Shipping

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Manifest (see "Shipping Manifest" in Chapter IV, "Transporting Property").

Joints III.3

Preventive Maintenance

Laboratory policy assigns responsibility for development of a Lab-wide property maintenance program to the Maintenance Management Office of the Facilities Engineering Division. As the program is implemented, line managers will become responsible for identifying equipment requiring preventive maintenance and creating systems for tracking maintenance histories.

Contract Appendix E
LANL Director's Policy DP 121

Project Roll-Downs

Policy

When a project is completed or phased out, property assigned to that project is to be made available for excess or transfer as soon as possible.

Procedure

The project's line manager notifies the business team leader (BTL) as far in advance as possible that the project is being closed. The BTL is responsible for timely disposition of the project's property in conjunction with the PA(s), the PS, and organizational management.

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If roll-down of a project or program will result in the termination of employees from the Lab, the BTL must notify PM. PM, in turn, consults with DOE to determine if the situation falls under those covered by DOE guidelines for property considered excess due to downsizing or closure of a departmental site.

Joints III.6

Stored Property

Spare Equipment

Policy

Spare equipment is that held in storage to replace similar items if they fail. It does not include:

- equipment used occasionally
- equipment that is in place and electrically connected for emergency backup (e.g., an emergency power generator)
- equipment not yet released from stores (see Chapter XI, "Property in Stores")

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A spare must be removed from storage and declared excess when:

- the type of equipment it backs up is removed from service
- the item is determined to be inoperable

PM conducts reviews of spare equipment biennially to ensure that retention is justified.

41 CFR 109-27.52

Procedure

A property custodian wishing to declare an item a spare notifies the PA, identifying the item or items the spare will back up. The PA then transfers the item into PAIRS Status Subaccount 20, indicating in the comment field the property number(s) of the item(s) the spare backs up. The item does not have to be moved to a new location (i.e., a storage area), but if it is the new location also should be entered.

If the item that a spare is meant to replace fails, the custodian must notify the PA *before* putting the spare into service. The PA then goes into PAIRS and places the item back into subaccount 0, "In Service."

Whenever equipment is determined to be obsolete or no longer needed by the organization, the PA is

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responsible for determining if any spares are in storage. If so, they are to be declared excess.

Every two years, PM sends a memo to each Laboratory organization that has Subaccount 20 property requesting justifications for retaining the spares. Each organization must respond within 30 days via a memorandum signed by the line manager. For each spare, the response must list the justification for retaining it or indicate that it will be put in service or declared excess.

Equipment Held for Future Projects

Policy

Equipment not currently in use but having a known future use or potential use in planned Laboratory projects may be placed in the Equipment Held for Future Projects (EHFFP) program. Excluded are:

- spare equipment
- emergency backup equipment
- items in equipment pools
- excess equipment
- equipment included in "Plant and Equipment Changes in Progress"

Retention of EHFFP must be justified with consideration for the costs of storage, obsolescence, deterioration, replacement, and future availability.

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A record of EHFFP is kept in PAIRS. Organizations looking for equipment to use temporarily are encouraged to consider EHFFP, and organizations holding these items must give due consideration to making them available for that purpose (see "Change of Assignment" under "Property Custodians" above).

Justifications for retention must be approved initially by the requestor's line manager, and reviewed annually by the line manager's direct supervisor. Requests to retain items as EHFFP for a fourth or subsequent year must be approved by DOE. The property center maintains files of justification documents for as long as the items remain EHFFP.

41 CFR 109-27.51

Procedure

The property custodian writes a memorandum to the line manager that

- cites the project or potential use for which the equipment is to be retained
- provides sufficient detail to support the need for retention
- addresses cost considerations

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If approved, the memo is signed by the line manager and goes to the PA, who enters the item in Status Subaccount 19 of PAIRS and files the memo.

The PA is responsible for notifying the line manager's direct supervisor on each anniversary of the date the item is declared EHFFP. The supervisor reviews the justification memo and initials and dates it if it remains valid, or sends it back to the custodian for re-justification if any considerations have changed. After three years, the justification must be sent annually to DOE/LAAO for approval.

Items no longer justifiable as EHFFP must be treated as under-used (see "Maximum Use" in Chapter I, "General Property Policies").

41 CFR 109-27.51
Joints III.7

Storage Facilities

Policy

Government property in storage must be protected from fire, theft, damage, or abnormal decay. All storage areas must be locked and must bear signs clearly indicating U.S. Government ownership of the stored property. Entrance should be restricted to authorized personnel only.

Only items that do not require covered protection may be kept in outdoor storage yards, which must be

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protected by locked fences or other secure enclosures. However, these items must be protected from the elements by appropriate means such as tarpaulins unless they are designed for outdoor storage (e.g. motor vehicles).

All storage areas should be run in an efficient manner as outlined in 41 CFR 109-28.001.

PM will review storage areas biennially to make sure they are managed in compliance with this policy.

41 CFR 109-28.001

Responsibilities

The property custodian is responsible for ensuring that his or her assigned property is stored in a safe manner. The custodian must contact the line manager immediately upon discovering problems in a storage area.

The line manager under whose stewardship a storage area falls must see that it is maintained in good condition, is properly marked, and is run in an economical manner. He or she is responsible for designating who will have keys or combinations to the area.

The property specialist reviews the condition of storage areas and the property within them during

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biennial walk-throughs (see Chapter VI, "Utilization Reviews").